

A decorative graphic on the left side of the slide, consisting of a light green vertical bar and a dark blue horizontal bar that curves at its ends.

The main steps of a Business Plan

Why to start a business?

- Fully rewarded;
- Helping others (jobs), and others helping you (team work);
- Favorable fiscal system;
- Other people's moneys: banks, investors, funds etc.

What is the business plan?

A document which identify and project the opportunities and the problems which the company will face in the future.

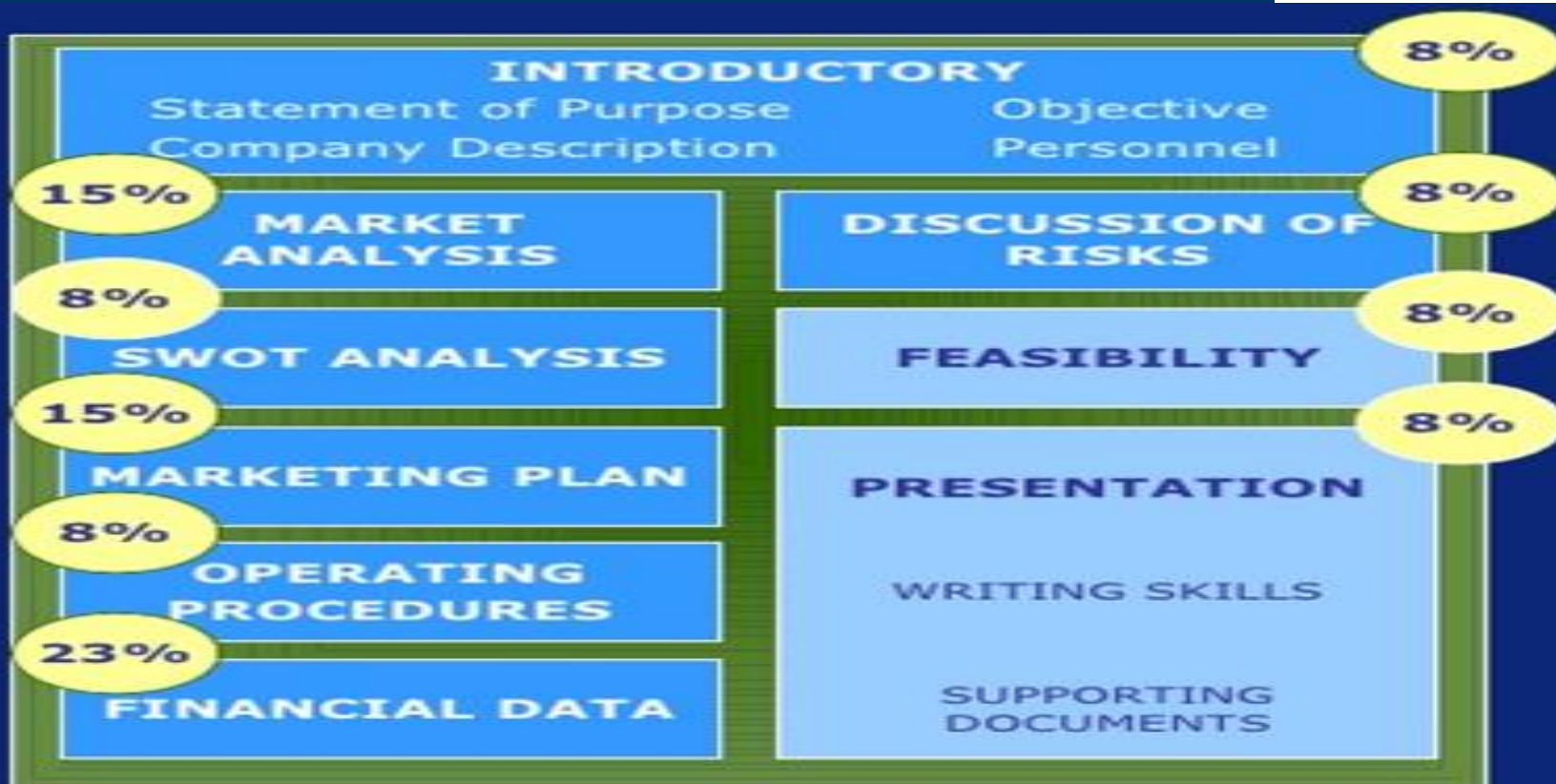
The Business Plan is a essential for the long term succes.

The Business Plan is like a passport for obtaing the financing.

The Business Plan is a “map” for the company

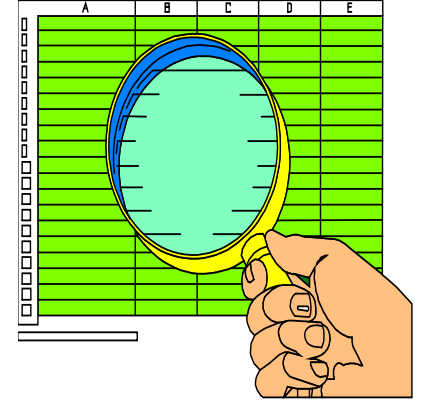


Elements of a BP (Delloite research)



Note: Percentages are rounded

Business plan objectives



- to show if the business is feasible or not;
- to put the idea into practice;
- to obtain the necessary funds ;
- to ‘PLAN” (activities, deadlines, milestones, objectives etc.);
- to conciliate the entrepreneur’s dreams with the economic reality.

Where we should intervene?

- Attitude;
- Cultural level;
- Mentalities.

Education is essential. Divergent thinking.
Creativity.

The structure of the business plan

1. **Business overview.** Describing the business the products, services etc.
2. **Market analysis.**
3. **Marketing strategy.**
4. **Human resources.**
5. **Required investments.**
6. **Financial projections.**
7. **Funding.**
8. **Presentation of the BP.**
9. **Annexes**

1. Business overview. Describing the products, services etc. The objectives

- **Company description and history.**
- **Describe and explain the business idea.**
- **Describe the nature of your business.**
- **Describe your products or services.**
- **Present the marketplace needs that you are trying to satisfy.**

1. Business overview. Describing the products, services etc. The objectives

- **Choose a name - suggesting who you are, what you do, how you do it.**
- **Describe the business location and branches.**
- **Describe your knowledge, experience and abilities concerning this business. What about your partners?**
- **Describe the business operations.**
- **The legal structure of the business (Limited, Corporation, NGO etc).**

1. Business overview. Describing the products, services etc. The objectives

- Explain what you will sell.
- Identify your competition.
- Which is your competitive advantage?
- What is your mission?
- Which are your short and long term objectives?
- How much capital you need to start the business?

2. Market analysis

2.1 Customers analysis

- **Who are your customers?**
- **Individuals or companies? Men or women? Etc.**
- **Do a market segmentation.**
- **Explain on which segment you will focus.**
- **Which is the total available market (TAM)?**
- **Which is the served available markets (SAM)?**
- **Which is your intended market share (% out of SAM)?**

2. Market analysis

2.2 Analysing the competition

- Identify your direct competition.
- Which is their market share?
- What makes you different?

2.3 Market analysis

- Primary research (questionnaires, surveys or interviews).
- Secondary research (published research).

3. Marketing strategy

3.1 The Marketing Mix

3.1 Product: concept, outlook etc.

3.2 Price.

3.3 Promotions and publicity.

3.4 Placement.

3.1 Product

- **Quality;**
- **Design;**
- **Characteristics;**
- **Brand;**
- **Service;**
- **Warranty.**

3.2 Price

- **Calculating the fixed costs;**
- **Calculating the variable costs;**
- **Calculating the final cost per product;**
- **Calculating the optimal price;**
- **Compare with the competition's price;**
- **Payment conditions;**
- **Discounts etc.**

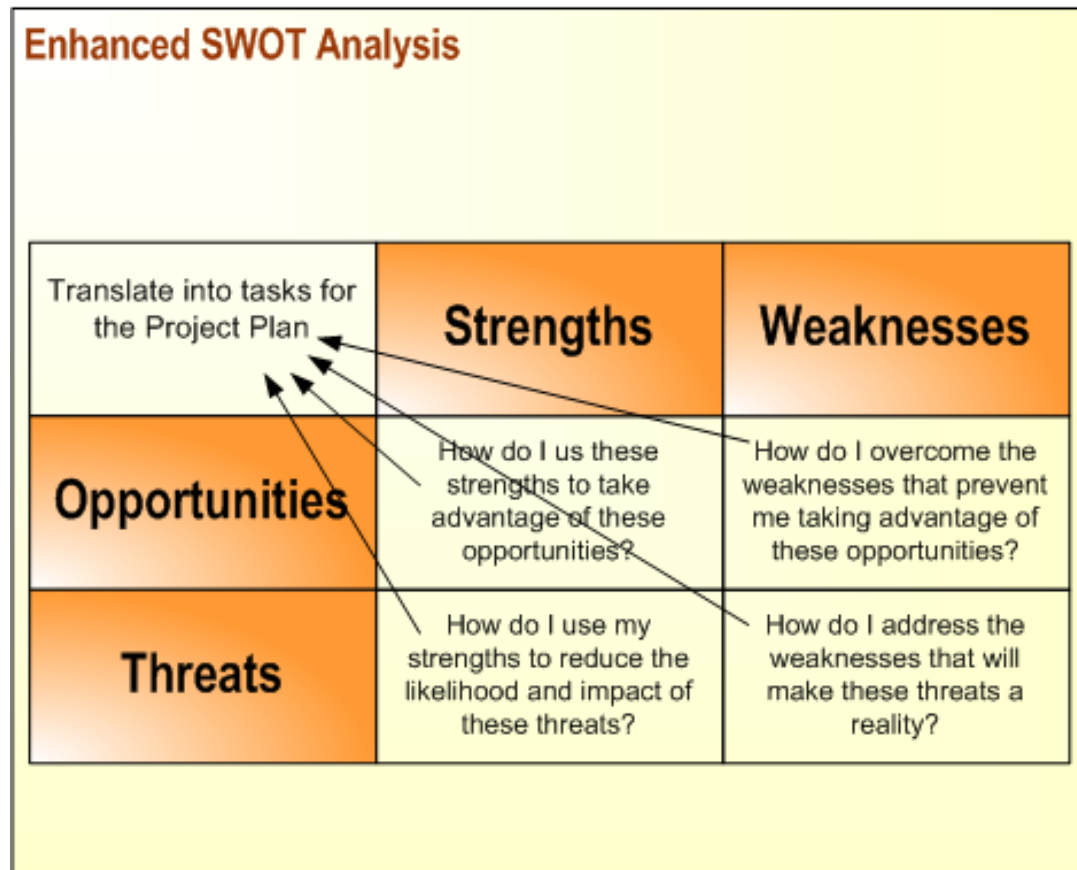
3.3 Promotions and publicity

- **Make a prospect with a description of your product;**
- **What would you like to happen as a result of the publicity;**
- **What message you will use?**
- **What media you will use and why?;**
- **How you will monitor the results?**
- **Which is your BUDGET?**

3.4 Placement

- **How your product will get to the customers?**
- **What are your distribution channels?**
- **What area are you covering?**
- **Seasonal or continuous?**
- **How you keep your inventory?**

3.5 SWOT Analysis



(More relevant for existing companies)

4. HR

- **How many employees you need?**
- **Can you find the necessary skills?**
- **How you will recruit them?**
- **Make a personnel count.**
- **Calculate the wages.**
- **Calculate the social contributions**
- **Trainings**
- **Stimulations.**

5. Investment decision

- **What investments are required?**
- **Which are their costs?**
- **Depreciation.**
- **Cash-Flows generated.**
- **The residual value.**
- **Simple criteria for investment decision**

5. Investment decision

- Time value of money;
- Opportunity cost of the capital;
- NPV, IRR, IR
- Estimating the risk;
- Sensitivity analysis;
- Monte-Carlo method.

6. Financial projections

6.1 Break-even analysis

Break-Even Point = Fixed Costs / (Price per unit – Variable Costs)

6.2 Profit budgeting

- **Estimating the sales.**
- **Calculating the costs.**
- **Estimating the profit.**

6. Financial projections

6.2 Forecasted financial statements for 5 years:

1. **Balance sheet**
2. **Income Statement**
3. **Cash-flow statement**

6. Financial projections

6.3 Financial ratios

- **Liquidity**
- **Debt**
- **Efficiency**
- **Profitabilty**

6.4 Financial Charts (Break Even, P&L, Cash-Flow etc)

7. Funding the business

EQUITY: funds from owners

DEBT: funds borrowed

Self- financing

Other sources: EU Funds, Angels, Venture capital etc

Financing costs

Capital structure

8. Presenting the BP

The oral presentation:

- Be on time;
- Be clear;
- Be enthusiast;
- Be sure you know very well your BP;
- Stress the company's competitive advantages.

Supporting documents (annexes).

Expect feedbacks.

Anticipate questions!!!